

£200 million Port Infrastructure Fund opens for bids

- Government launches the Port Infrastructure Fund to build new facilities at the border.
- The scheme will provide up to £200 million funding in one-off grants to ports.
- Businesses and industry urged to accelerate preparations for the end of year.

Today (Friday 2 October 2020) the government is ramping up its preparations for the end of the transition period with the launch of a £200 million fund for ports to build new facilities.

New infrastructure at ports will be needed whether or not the UK secures a negotiated agreement with the EU as we are leaving the Customs Union and Single Market and new procedures will be coming into place.

The fund is targeted at those ports that have the space to build new border infrastructure on their current sites so that they are ready to handle new customs requirements under the new Border Operating Model. The funding can be used for a range of vital port infrastructure – from warehouses and control posts to traffic management systems.

The deadline for applications is midday on 30 October, with successful bids announced shortly after.

Where infrastructure is not best situated at ports, the government has allocated an additional £270 million to build inland customs facilities.

Recognising the impact of coronavirus on businesses' ability to prepare, the UK has taken the decision to introduce new border controls in three stages up until 1 July 2021. This flexible and pragmatic approach will give industry extra time to make necessary arrangements. The stages are:

- From January 2021: Traders importing standard goods, covering everything from clothes to electronics, will need to prepare for basic customs requirements, such as keeping sufficient records of imported goods, and will have up to six months to complete customs declarations. While tariffs will need to be paid on all imports, payments can be deferred until the customs declaration has been made. There will be checks on controlled goods like alcohol and tobacco. Businesses will also need to consider how they account for VAT on imported goods. There will also be

physical checks at the point of destination or other approved premises on all high risk live animals and plants.

- From April 2021: All products of animal origin (POAO) – for example meat, pet food, honey, milk or egg products – and all regulated plants and plant products will also require pre-notification and the relevant health documentation.
- From July 2021: Traders moving all goods will have to make declarations at the point of importation and pay relevant tariffs. Full Safety and Security declarations will be required, while for SPS commodities there will be an increase in physical checks and the taking of samples: checks for animals, plants and their products will now take place at GB Border Control Posts.

The opening of the fund has been welcomed by industry, and will see ports accelerate their preparations for the end of the year, as well as give industry confidence that all required infrastructure will be delivered on time.

Chancellor of the Duchy of Lancaster, Michael Gove, said:

With just 3 months to go until the end of the UK transition period, businesses need to prepare now for the new procedures that will come into place whether or not we reach a trade agreement with the EU, so that we can seize the significant opportunities that lie ahead.

We have listened to businesses and the border industry and will continue to work with them to deliver not just a fully operational border at the end of the transition period, but also the world's most effective and secure border within the next five years. The launch of this £200 million fund will help us do just that.

Secretary of State for Transport, Grant Shapps, said:

Our ports are a point of pride for the UK, contributing to our success as a global trading nation and helping bring vital goods into the country each and every day.

This investment will not only ensure our borders are fully operational at the end of the transition period, but will also support the UK's fantastic businesses as they trade across Europe.

Tim Morris of the UK Major Ports Group, the trade association for the UK's largest port operators, commented:

There is significant port capacity around the coast of the UK for handling freight flows to and from the EU. Today's announcement is a welcome step in ensuring that this capacity can be maximised and UK supply chains can be more resilient.

Time is short and it is vital that UK businesses prepare for new border arrangements. We will work urgently with the Government on the all-important detail and related regulations.

Richard Ballantyne Chief Executive of the British Ports Association, which represents ports that facilitate 86% of our trade including all the UK's main roll-on roll-off gateways, said:

We welcome this fund and the focus on preparing port infrastructure for what will need accommodate a significant change in our trading relationship with the EU. It's clear that without support there would not be the capacity to deal the new customs and borders requirements. We therefore welcome this scheme which importantly will be open to all port operators across Great Britain.